PROPOSED ORDER

IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

FOR DOMESTIC WELL CREDIT IN THE

CHURCHILL VALLEY HYDROGRAPHIC BASIN

WHEREAS, this order is adopted under the procedure set forth in Chapter 534.350 of the Nevada Revised Statutes for the establishment of a program that allows a public water system to receive credits for the addition of new customers to its system.

WHEREAS, this order covers the Silver Springs portion of the Churchill Valley Hydrographic Basin (102) designated under State Engineer's Order No. 689, August 23, 1977, the portion is more specifically described as being:

T.17N., R.24E., M.D.B.&M.

The N½ of Section 1 and the N½ of Section 2, all within the Churchill Valley Hydrographic Basin.

T.17N., R.25E., M.D.B.&M.

The N½ of Section 6, all within the Churchill Valley Hydrographic Basin.

T.18N., R.24E., M.D.B.&M.

All of Sections 25, 26, 27, 34, 35, 36, and the SE¼ of Section 23, NE¼ of Section 24 and the S½ of Section 24, all within the Churchill Valley Hydrographic Basin.

T.18N., R.25E., M.D.B.&M.

All of Sections 19, 30, 31, and the NW¹/₄, N¹/₂ SW¹/₄, SW¹/₄ of Section 17, SE¹/₄ of Section 18, and that portion of Section 29 consisting of Lots 1 through 11, 13 through 23, 25 through 34, 37 through 46 and 51 through 54, of the Lakeside Subdivision, all within the Churchill Valley Hydrographic Basin.

WHEREAS, this order proposes that a public water system that provides water for municipal purposes within the area described above receive a credit for each customer who is added to their system provided:

a. A single family dwelling which is presently utilizing a domestic well voluntarily ceases to draw water from that well located within the described area.

- b. Any owner of a lot with the ability to drill a domestic well and utilize water from that well meets the following conditions:
 - (1) That the described lot is located within the area described;
 - (2) That the lot was established as a separate lot before July 1, 1993;
 - (3) That the lot was approved by a local governing body or planning commission for service by an individual domestic well before July 1, 1993; and
 - (4) A written agreement is entered between the owner of the lot and the public water system, wherein, the owner agrees not to drill a domestic well on the lot, and the public water system agrees that it will provide water service to that lot. Any such agreement must be acknowledged and recorded in the same manner as conveyances affecting real property are required to be acknowledged and recorded pursuant to Chapter 111 of NRS.

WHEREAS, the State Engineer may require each new customer who voluntarily ceases to withdraw water from a domestic well to plug that well at such time as notification of service from the public water system is made.

WHEREAS, a credit granted to the public water system under this order:

- a. Will be for domestic uses as defined by NRS 534.013.
- b. May not exceed the increase in water consumption attributable to the additional service connection or 1,800 gallons per day, whichever is less. The amount of water provided to each service will be reported by each public utility on a yearly basis, in addition to the amount pumped under any permitted water right.
- c. Cannot be converted to an appropriative right.
- d. May only be used at the location of the lot for which credit is being sought.
- e. Will only be from a water purveyor who pumps ground water within the same ground water basin as covered by this order.

WHEREAS, this order does not:

a. Require the public water system to extend its service area unless approved

by the Nevada Public Utilities Commission.

b. Authorize any increase or the potential increase in the total amount of

ground water pumped in the Churchill Valley Hydrographic Basin.

c. Affect any rights of an owner of a domestic well who does not voluntarily

bring himself within the provisions of this order.

d. Interfere with the State Engineer's authority to possibly restrict the drilling

of a domestic well for domestic use, as defined in this order, in the

described area of this order where water can be furnished by an entity

presently engaged in serving water within the said area.

WHEREAS, any such request for a credit under the order shall be made to the

State Engineer on the form made available by him.

WHEREAS, for the purposes of this order:

a. "Domestic well" means a well used for culinary and household purposes

directly related to a single-family dwelling, including without limitation,

the watering of a family garden and lawn and the watering of livestock

and any other domestic animals or household pets, if the amount of water

drawn does not exceed 1800 gallons per day (NRS 534.013 and 534.180).

b. "Lot" has the meaning ascribed to it in NRS 278.0165.

c. "Public Water System" has the meaning ascribed to it in NRS 445A.840.

NOW THEREFORE, pursuant to the authority in NRS 534.350, the State Engineer hereby establishes a program in that portion of Churchill Valley as heretofore described for a public water system to receive credits for new customers who are now served by domestic wells or who could drill a domestic

well on a lot created prior to July 1, 1993.

		Hugh Ricci, P.E.
		State Engineer
Dated at Carson City,	Nevada this	
day of	, 2006.	